

MURRAY ARTS INC.
FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

MURRAY ARTS INC.

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MURRAY ARTS INC.

MANAGEMENT COMMITTEE REPORT

Your committee members submit the financial report of Murray Arts Inc. for the year ended 31 December 2018.

Committee Members

The names of the committee members in office at any time during or since the end of the year are:

Tahni Froudish
Diane Shephard
David Thurley
Deborah Ross (resigned 26th April 2018)
Annette Schilg (resigned 26th April 2018)
Jennie Star (resigned 26th April 2018)
Richard Hull (appointed 16th August 2018)
Rachael Gadd (appointed 16th August 2018)
David Gordon (appointed 16th August 2018)
Donna Caffrey (appointed 16th August 2018)

Principal Activities

The principal activities of the association during the year remained:

The promotion of the arts in the region.

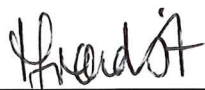
Significant Changes

No significant change in the nature of these activities occurred during the year.

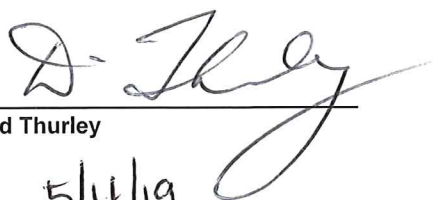
Operating Result

The profit for the year amounted to \$6,388.44.

Signed in accordance with a resolution of the members of the committee:



Tahni Froudish



David Thurley

Dated:

5/4/19

MURRAY ARTS INC.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MURRAY ARTS INC.**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Murray Arts Inc. (the association) which comprises the balance sheet as at 31 December 2018 and the income statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporations Act 2009 and are appropriate to meet the needs of the members. The committee's responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks or material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting under the Associations Incorporations Act 2009. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

MURRAY ARTS INC.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MURRAY ARTS INC.**

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of Murray Arts Inc. presents fairly in all material respects the financial position of Murray Arts Inc. as of 31 December 2018 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

FOCUS PARTNERS



Elin Collins, CA
Partner

Dated: 8.4.2019

Income Statement

MURRAY ARTS INCORPORATED For the year ended 31 December 2018

	NOTES	2018	2017
Income			
General Income	2	230,098.36	244,170.14
Project Income	3	124,979.84	37,219.79
ILA funding for AAO		28,416.75	18,519.11
International Tap Dance		49.81	2,727.28
Nellen Trainee		301.80	5,000.00
STC workshop		-	181.81
Loss on sale of asset		(3,310.00)	(428.00)
Total Income		380,536.56	307,390.13
Total Income		380,536.56	307,390.13
Expenses			
Accounting Software & support (MYOB and Xero)		703.83	494.05
Annual report printing & design		3,570.00	3,450.00
Audit, legal, finance and governance		8,500.00	8,670.68
Auspiced Project - Wetlands		4,303.80	-
Bank Charges		182.24	158.44
Billet-Doux Expenses		1,307.28	-
Board Development		349.09	2,099.00
Board Meetings		637.75	375.77
Board Travel & Accommodation		329.46	292.73
Bookkeeper (Contract)		3,500.00	3,325.00
Burraja Arts Artist fees		15,253.15	5,151.40
Burraja Gallery Expenses		6,394.80	3,209.26
Cleaning		817.11	841.82
Depreciation		1,846.63	1,477.00
Dept of Fair Trading		240.96	-
Eddie Kneebone		-	212.73
Electricity		1,995.40	-
Equip purchase & maintenance		-	1,116.00
Fringe benefits tax		3,097.06	2,439.63
Insurance		2,994.92	3,809.32
Int Tap Dance		-	2,640.73
IT services		5,609.72	11,180.61
Marketing, Promotion & Publicity		3,688.18	1,520.64
Meeting Expenses		202.22	664.29
Motor vehicle	4	13,644.20	15,260.95
Miscellaneous Expenses		-	464.93
NAIDOC		1,935.49	1,944.83
Newsletter		457.09	-
Publications & Subscriptions		1,362.92	1,003.26

	NOTES	2018	2017
Office Repairs and Maintenance		2,089.42	142.35
P.O.Box Hire		115.45	-
Petty Cash Expenditure		-	13.75
Phone & Fax		6,057.37	7,456.44
Post & Freight		41.31	237.26
Print Making Workshop		5,598.19	-
Printing & Stationery		1,216.46	1,319.38
Professional Development		1,531.18	16,644.35
Project - Inspiring Australia		9,976.08	9,759.22
Project - Month in The Country		1,500.00	3,000.00
Rates		484.50	-
Rent		8,882.56	9,364.71
School Drama		-	272.73
Smart Arts Expenses		4,101.31	-
Staff Amenities		1,188.10	1,806.68
Sticks & Stones		32,484.55	1,999.19
Superannuation		16,721.71	14,326.56
Then He Came Home		40.00	3,000.00
Trainee		301.80	3,537.58
Travel & Accommodation		6,512.12	7,920.15
Utilities		-	376.28
Staff Appointment Costs		474.73	1,364.45
Wages	5	185,072.95	150,545.30
Website		135.00	552.98
Workers Compensation		3,946.07	3,916.65
CSU Weaving (expenses)		1,305.98	-
Project - WKYN		100.00	-
Billet Doux Prizes and Judges (expense)		1,347.98	-
Total Expenses		374,148.12	309,359.08
Surplus/(Deficit)		6,388.44	(1,968.95)

Balance Sheet

MURRAY ARTS INCORPORATED As at 31 December 2018

	NOTES	31 DEC 2018	31 DEC 2017
Assets			
Current Assets			
Cash and Cash Equivalents	6	318,471.81	255,720.34
Accrued Income		720.52	328.81
Prepayments		3,477.16	2,226.78
Trade Debtors		676.30	549.62
Total Current Assets		323,345.79	258,825.55
Non-Current Assets			
Property, plant and equipment	7	8,353.00	7,852.00
Total Non-Current Assets		8,353.00	7,852.00
Total Assets		331,698.79	266,677.55
Liabilities			
Current Liabilities			
Trade Creditors		1,901.32	3,470.16
Annual Leave Accrual	9	17,588.12	10,483.82
Accrued expenses		2,361.76	2,361.76
Grants and funding in advance	8	194,308.68	153,421.59
Other Payables	10	22,820.72	10,610.47
Total Current Liabilities		238,980.60	180,347.80
Total Liabilities		238,980.60	180,347.80
Net Assets		92,718.19	86,329.75
Equity			
Retained Earnings		92,718.19	86,329.75
Total Equity		92,718.19	86,329.75

Notes to the Financial Statements

MURRAY ARTS INCORPORATED

For the year ended 31 December 2018

1. Statement of Significant Accounting Policies

This financial report is a special purpose report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act 2009. The committee has determined that the association is not a reporting entity.

The financial report is prepared on an accrual basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

a) Income Tax

The association is exempt from Income Tax under Sub-division 50-B of the Income Tax Assessment Act 1997.

b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

c) Depreciation

Depreciation is calculated to write off the net cost of each item of property, plant and equipment over its expected useful life.

d) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

e) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits are measured at the amounts expected to be paid when the liability is settled.

f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments.

g) Goods and Services Tax (GST)

Revenues, expenses and fixed assets are recognised net of the amount of GST. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

h) Trade receivables

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly.

i) Revenue

Revenue is measured as the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST).

j) Council contributions

Murray Arts receives contributions from six local governments; Albury City, Federation Shire, Greater Hume, Indigo Shire, Towong Shire, and City of Wodonga. Contributions are received based on either calendar year or financial year, depending on which system the council operates within. As such, the contributions identified within the financial statements are reflective of this.

Amounts are recognised in Grants in Advance account to reflect allocation to the following accounting period.

	2018	2017
2. General Income		
Albury City Council	30,121.50	29,555.00
Create NSW	140,000.00	150,000.00
Federation Council	12,051.27	11,844.50
Greater Hume Shire	6,000.00	6,000.00
Indigo Shire	9,000.00	9,000.00
Regional Arts NSW	800.00	578.60
Towong Shire	5,000.00	5,000.00
Wodonga City Council	20,000.00	20,000.00
ATO interest	-	6.19
Bank Interest	3,870.86	3,353.37
Sundry Income	50.00	240.00
xx Reimbursement Income	3,204.73	8,480.22
Fee for service	-	112.26
Total General Income	230,098.36	244,170.14

	2018	2017
3. Project Income		
Aboriginal Arts Curator	36,613.33	7,726.66
Auspiced Project - Then He Came Home	-	3,000.00
Auspiced Project - GIGS Admin	7,859.20	5,505.33
Billet-Doux Sales Income	1,419.55	-
Billet Doux Entry Fees	1,054.54	-
Burraja Arts Sales	18,225.60	6,988.80
CSU Weaving	1,500.00	-
Inspiring Australia (NSW)	10,000.00	10,000.00
Prime Minister & Cabinet	2,066.00	2,000.00
Print Making	5,236.82	-

Regional Arts Fund NSW (projects)	19,500.00	-
Regional Arts Victoria	13,001.00	1,999.00
Smart Arts Workshop	4,000.00	-
Wetlands Photography	4,303.80	-
WKYN	200.00	-
Total Project Income	124,979.84	37,219.79

2018 2017

4. Motor vehicle expenses

Fuel	3,295.30	2,763.78
Car Insurance	-	586.85
Car Repairs & Maintenance	-	2,445.49
Lease & Registration	9,189.96	9,464.83
Total Motor vehicle expenses	12,485.26	15,260.95

2018 2017

5. Wages

Wages ED	73,064.41	68,617.19
Wages Comms Officer	36,879.43	35,237.03
Wages Aboriginal Arts Officer	27,727.65	16,549.66
Wages ADMIN	-	17,890.96
Wages - Aboriginal Arts Curator (Beth)	32,653.16	6,904.97
Auspiced Wages GIGS	7,644.00	7,852.00
Provision for Annual Leave	7,104.30	3,995.03
Provision for LSL	-	(6,501.54)
Total Wages	185,072.95	150,545.30

2018 2017

6. Cash and Cash Equivalents

Petty Cash 574043S9.1	3,313.57	2,806.97
Hume investment 574043I-1	91,730.22	89,432.41
Murray Arts Inc Business Acct	186,159.61	38,234.57
MurrayArt Foundation574043S9.2	1.00	1.00
Business I Save 574043S18	32,175.80	120,568.84
Burraja Arts 574043S9.3	4,206.61	3,406.55
Burraja Arts cash float	145.00	145.00
Buraja Arts Stock on Hand	740.00	1,125.00
Total Cash and Cash Equivalents	318,471.81	255,720.34

2018 2017

7. Property Plant and Equipment

Plant and Equipment		
Plant and equipment at cost	29,316.00	28,775.00

Accumulated depreciation of plant and equipment	(20,963.00)	(20,923.00)
Total Plant and Equipment	8,353.00	7,852.00
Total Property Plant and Equipment	8,353.00	7,852.00
	2018	2017

8. Grants and funding in advance

Grants in Advance	(43,612.48)	(63,200.50)
Income in Advance - Create NSW	(140,000.00)	-
Income in Advance - Aboriginal Arts Curator	-	(46,804.34)
Income in Advance - ILA Funding for AAO	-	(28,416.75)
Income in Advance - Wetlands Photography	(10,696.20)	(15,000.00)
Total Grants and funding in advance	(194,308.68)	(153,421.59)
	2018	2017

9. Provisions

Short-term Provisions		
Annual Leave Accrual	17,588.12	10,483.82
Total Short-term Provisions	17,588.12	10,483.82
Total Provisions	17,588.12	10,483.82
	2018	2017

10. Other Payables

PAYG Payable	7,084.00	5,852.00
Superannuation Payable	4,673.26	3,530.92
Provision for FBT payable	774.00	-
GST	10,247.74	1,227.55
Rounding	(0.03)	-
Wages Payable - Payroll	41.75	-
Total Other Payables	22,820.72	10,610.47

11. Burrinja Arts

Throughout the year, expenses have been incurred for the burraja gallery yet funded by the Murray Arts Business account. To better reflect the balance of the Burrinja Arts funds on hand at the end of 2018, a net amount of \$3,525.39 should be transferred in to the Murray Arts Business Account (leaving an updated bank balance of \$681.08 at 31 December 2018).

MURRAY ARTS INC.

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

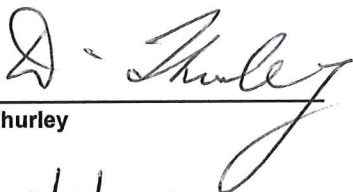
In the opinion of the committee the financial report:

1. Presents a true and fair view of the financial position of Murray Arts Inc. as at 31 December 2018 and its performance for the year ended on that date.
2. At the date of this statement there are reasonable grounds to believe that Murray Arts Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



Tahni Froud



David Thurley

Dated:

5/4/2019


MURRAY ARTS INC.

CERTIFICATE BY MEMBERS OF THE COMMITTEE

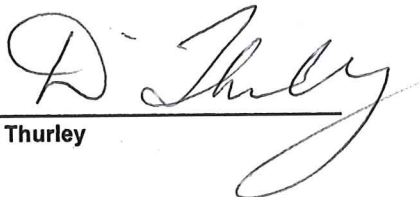
I, Tahni Froudish and I, David Thurley certify that:

- (a) We are members of the committee of the association.
- (b) We attended the annual general meeting of the association.
- (c) We are authorised by the attached resolution of the committee to sign this certificate.
- (d) The annual statement was submitted to the members of the association at its annual general meeting.

Dated: 5/4/19



Tahni Froudish



David Thurley